



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

Certified Mail 7000 1670 0011 9907 4642
Return Receipt Requested

June 28, 2016

David Campbell
Environmental Manager
San Joaquin Refining Company, Inc.
3542 Shell Street
Bakersfield, CA 93308

Dear Mr. Campbell:

This letter is written as follow up to the meeting we had at your facility on June 21, 2016. Thank you for taking the time to meet with us to discuss issues pertaining to the injection well (WD-1) currently operating under a Waste Discharge Requirements (WDR) permit issued by the Central Valley Regional Water Quality Control Board (Order No. 91-132).

Key Points from Meeting:

The San Joaquin Refining Company uses the well WD-1 to inject a waste stream consisting of process waters generated from refinery units at the plant. The well is currently injecting into the Santa Margarita Formation within the Fruitvale Oil Field at depths ranging between 4,020' to 4,255' below ground surface.

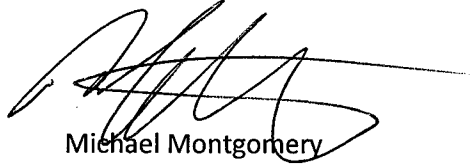
In consultation with the CA Division of Oil, Gas, and Geothermal Resources, EPA determined that the current injection zone, the Santa Margarita Formation within the Fruitvale Oil Field, is included in the Class II Aquifer Exemption area that was established when EPA granted California primacy for Class II injection wells within the state. As an exempt aquifer, it is not considered an Underground Source of Drinking Water (USDW), and does not require an aquifer exemption.

In response to recent correspondence from EPA, the San Joaquin Refining Company is in the process of preparing an application package to submit to EPA for a Class I Non-Hazardous UIC Permit for well WD-1 as well as possible additional future wells. Please let us know if you will not be able to submit your application by August 15, 2016.

It is EPA's understanding that once EPA issues a final Class I Non Hazardous UIC Permit for injection wells at the site, the Central Valley Regional Water Quality Control Board plans to rescind the current WDR permit (Order No. 91-132) and the injection well(s) at the site will operate solely under the EPA-issued Class I UIC Permit.

We look forward to receiving your Class I Non Hazardous UIC Permit application. If you have any questions related to preparation of the permit package, or questions regarding the content of this letter, please call David Albright, Manager of the Drinking Water Protection Section, at (415) 972-3971.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Montgomery', is written over a horizontal line.

Michael Montgomery
Assistant Director, Water Division

cc: Ken Harris, State Oil and Gas Supervisor, CA DOGGR
Jonathan Bishop, Chief Deputy, CA SWRCB
Clay Rodgers, Central Valley Regional Water Quality Control Board